

FILED

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS

17 JUN 28 AM 10:37

FRANCES K GRAHAM

Plaintiff,

vs.

LNV CORPORATION;  
DANIEL ANDREW BEAL

Defendants.

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§CLERK, U.S. DISTRICT COURT  
WESTERN DISTRICT OF TEXAS  
BY: MD  
**A17CV0634 RP**  
NO. \_\_\_\_\_

COMPLAINT

18 U.S. Code § 1964

JURY TRIAL DEMANDED

## PLAINTIFF'S ORIGINAL COMPLAINT

Here comes Plaintiff, Frances K. Graham, self represented, who respectfully alleges as follows for her complaint against Nevada incorporated LNV Corporation (hereafter "LNV") and the sole owner/director of LNV, multi-billionaire ranked by Forbes as being among the top 50 wealthiest individuals in the United States and founder of the super pac "Save America From Its Government" that played a significant role in Donald J. Trump's victory in the 2016 Presidential election campaign, renown gambler, and vulture hedge fund mogul Daniel Andrew Beal (hereafter "Andy Beal") who deceived and defrauded Plaintiff and the United States.

## PARTIES

**Plaintiff:** Frances K. Graham, a natural female person aged 80-years legitimate and sole owner of real property located at: 2405 Crownpoint Drive, Austin, Texas 78748.

**Defendant:** LNV Corporation, a Nevada corporation, located at 7195 Dallas Parkway Plano TX 75024.

**Defendant:** Daniel Andrew "Andy" Beal sole owner/director of LNV Corporation.

JURISDICTION AND VENUE

This Court has subject matter jurisdiction over this action under 18 U.S. Code § 1964; the United States Constitution; and 28 U.S.C §§ 1331.

CONDITIONS PRECEDENT

Before Defendant LNV, solely owned/controlled by Defendant Andy Beal, can foreclose on property LNV must have standing to foreclose; i.e. must have a beneficial interest in the mortgage note and security instrument. LNV lacked such standing, knew it lacked standing, yet LNV non-judicially foreclosed on Plaintiff's real property and has evicted her from her home.

BACKGROUND AND RELEVANT FACTS

On September 3, 2013 Plaintiff and her husband filed a complaint against LNV Corporation in the 126th Judicial District Court of Travis County, Texas; Cause No: D-1-GN-13-003075. Causes of action were: (1) wrongful foreclosure; (2) violations of Tex. Property Code § 51.002; and (3) violations of the Truth-in-Lending Act (15 U.S.C. §§ 1601 et seq.) On September 16, 2013 LNV removed this state case to federal court; Case No: 1:13-CV-818.

On September 27, 2013 LNV filed as an Exhibit to its Motion to Dismiss for Failure to State a Claim a copy of the Fixed Rate Note with Argent signed by Plaintiff's husband (but not by Plaintiff), see Exhibit A attached hereto. LNV filed this Note as Doc. 3-2 pages 18 and 19 of 44. On page 19 is an undated endorsement: "Pay to the Order of: Residential Funding Company LLC without recourse, Argent Mortgage Company, LLC" signed by Sam Marzouk, President and Gregory F. Hanson, C.F.O. of Argent

1 An "Affidavit of Lynne E. Szymoniak, Esq. as Defendants' Expert" submitted in  
2 Deutsche Bank National Trust Company, as Trustee of Argent Mortgage Securities, Inc. et al v.  
3 Yolanda A. Kenny, et al, Index No. 07-34426 CA32 in the Circuit Court of the 11<sup>th</sup> Judicial  
4 Circuit in and for Dade County, Florida states:

5 *"I have also examined the Note submitted in this case, a copy of which is*  
6 *attached as Exhibit C. This note is signed by Sam Marzouk who is*  
7 *identified as the President of Argent Mortgage Company, LLC. I have*  
8 *searched the records of Argent Mortgage Company, LLC in the Division of*  
9 *Corporations, Florida Secretary of State, and determined that Sam Mazouk*  
10 *was not listed as an officer of the corporation until 2008."*

11 An assignment of deed of trust recorded in Travis County Texas on September 17, 2007  
12 as instrument # 2007172510, executed on "09/26/2005", transfers the deed of trust to  
13 Homecomings Financial LLC fka Homecomings Financial Network Inc. (hereafter  
14 "Homecomings") This assignment further states:

15 *"TO HAVE AND TO HOLD unto said grantee said above described note,*  
16 *together with all and singular the liens, rights, equities, title and estate above*  
17 *described securing the payment thereof... "*

18 The undated endorsement on the Note cannot be authentic because: 1) the undated  
19 endorsement on the Note purports to convey to Residential Funding Company LLC ("RFC-  
20 LLC") while the dated and recorded assignment conveyed the Note to Homecomings on  
21 September 26, 2005; 2) Sam Marzouk was not an officer of Argent until 2008; and 3) a recorded  
22 assignment executed on August 24, 2007 conveyed the Note from Homecomings to RFC-LLC.

23 The above referenced assignment was recorded on September 11, 2008 as instrument #  
24 2008153383 in Travis County Texas by Allison Martin, Document Control, MGC Mortgage Inc.  
25 (hereafter "MGC") which is also owned/controlled by Defendant Andy Beal. On the same day,

September 11, 2008, MGC recorded a third assignment of deed of trust as instrument # 2008153384 executed on **March 10, 2008** purporting to transfer Plaintiffs deed of trust and Note to Defendant LNV. All three assignments are attached hereto as **Exhibit B**.

MGC is LNV's servicer and shares the same address with LNV: **7195 Dallas Parkway Plano TX, 75024**. This address is an empty lot and is used by Defendant Andy Beal as a means for deception and fraud in a national racketeering scheme carried out by an organized enterprise of sham corporate fiction alter egos for Defendant Andy Beal. The second and third recorded instruments state:

"After Recording Mail to:  
**MGC Mortgage Inc.**  
Document Control, Allison Martin  
7195 Dallas Parkway  
Plano, Texas 75024"

18 U.S. Code § 1342 states:

*"Whoever, for the purpose of conducting, promoting, or carrying on by means of the Postal Service, any scheme or device mentioned in section 1341 of this title or any other unlawful business, uses or assumes, or requests to be addressed by, any fictitious, false, or assumed title, name, or address or name other than his own proper name, or takes or receives from any post office or authorized depository of mail matter, any letter, postal card, package, or other mail matter addressed to any such fictitious, false, or assumed title, name, or address, or name other than his own proper name, shall be fined under this title or imprisoned not more than five years, or both."*

This third assignment, instrument # 2008153384 executed on **March 10, 2008**, is a legal impossibility and void ab initio because LNV was not incorporated in Nevada until AFTER March 10, 2008 as per the sworn declaration of Catherine Gebhardt and the attached certified

Articles of Incorporation for LNV from the Nevada Secretary of State. (Exhibit C attached hereto.) Defendant LNV willfully deceived the U.S. District Court, and later the U.S. Bankruptcy Court as to LNV's standing to foreclose and as a result these courts lent assistance to the consummation and encouragement of what public policy forbids; and deprived Plaintiff of her property and life quality without due process.

On February 25, 2014 an "Agreed Order of Dismissal" was filed in Graham v. LNV, Case No: 1:13-CV-818 in this U.S. District Court. Plaintiff's husband William E. Graham died of a heart failure on March 12, 2014. Medical records will show excessive prolonged stress caused by Defendants LNV and Andy Beal and his agents' bad faith deceptive acts beginning in or around January 2009 was a factor in Mr. Graham's wrongful death.

In April 2014 LNV sent Plaintiff a notice of default and intent to sell. This was rescinded in June 2014. On April 7, 2015 LNV executed a non-judicial foreclosure sale and sold Plaintiff's real property to LNV for \$182,000. On November 30, 2015 Plaintiff filed for Chapter 13 Bankruptcy in the U.S. Bankruptcy Court for the Western District of Texas Austin Division; Case Number: 15-11477-tmd where MGC made a claim.

On June 26, 2017 Plaintiff will be evicted from her home and will suffer a significant degradation of her life quality as a direct result of this wrongful and illegal eviction.

COUNT I  
MAIL AND WIRE FRAUD

Plaintiff realleges and incorporates herein the foregoing paragraphs.

Defendants LNV and Andy Beal caused to be recorded with the Travis County Texas Recorder's Office falsified assignments of deed of trust with intent to deceive Plaintiff and the

1 courts, knowing these courts would rely on them as genuine, and would thereby believe LNV  
2 had standing to foreclose on Plaintiff's property when LNV did not. Defendants thereby  
3 defrauded the United States and Plaintiff with intent to deprive her of her real property, **which**  
4 **they did.**

5 Defendants used mail and/or wire transmissions to record these falsified assignments of  
6 deed of trust. 18 U.S. Code § 1341 states in pertinent part:

7 *"Whoever, having devised...any scheme or artifice to defraud...for obtaining*  
8 *money or property by means of false or fraudulent pretenses,*  
9 *representations...for unlawful use any counterfeit or spurious...obligation,*  
10 *security, or other article...for the purpose of executing such scheme or*  
11 *artifice...to be sent or delivered by the Postal Service, or...to be sent or*  
12 *delivered by any private or commercial interstate carrier, or takes or receives*  
13 *therefrom....shall be fined under this title or imprisoned not more than 20 years,*  
14 *or both."*

15 18 U.S. Code § 1343 states in pertinent part:

16 *"Whoever, having devised...any scheme or artifice to defraud, or for obtaining*  
17 *money or property by means of false or fraudulent pretenses, representations, or*  
18 *promises, transmits or causes to be transmitted by means of wire, radio, or*  
19 *television communication in interstate or foreign commerce, any writings, signs,*  
20 *signals, pictures, or sounds for the purpose of executing such scheme or artifice,*  
21 *shall be fined under this title or imprisoned not more than 20 years, or both."*

22 Mail and wire fraud are offenses under 18 U.S. Code §§ 1341 and 1343; these offenses  
23 are also prohibited "racketeering activities" under 18 U.S. Code § 1962.

COUNT 2  
PROHIBITED RACKETEERING PREDICATE ACTS

Plaintiff realleges and incorporates herein the foregoing paragraphs.

The Racketeer Influenced and Corrupt Organizations Act, (“RICO”) 18 U.S. Code § 1961(1)(B) defines “racketeering activity” in pertinent part as:

*“any act which is indictable under any of the following provisions of title 18, United States Code: ...section 1341 (relating to mail fraud), section 1343 (relating to wire fraud)”*

Plaintiff has learned that Defendants have defrauded other homeowners and the United States by use of mail and wire transmissions in the same manner using the same means over the course of many years. A very small representative sample of Defendants predicate RICO acts involve nearly identical recorded assignments of deed of trust executed on March 10, 2008 before LNV was incorporated:

**Catherine Gebhardt** – Recorded as instrument # 08048722 on 8/6/2008 Severe County, TN

**Robynne A. Fauley** – Re-recorded as instrument # 2012-023399 on 4/17/2012 Clackamas County, OR

**Denise Subramaniam** - Recorded as instrument # 2008-073972 on 08/27/2008 Washington County, OR

**Rhonda L. Hardwick** – Recorded as instrument # 2008000999 on 7/1/2008 Martin County, IN

**Christopher and Marcia Swift** - Recorded as instrument # 2008K069730 on 9/3/2008 Kane County, IL

**Tuli Molina Wohl** - Recorded as instrument # 2008-0704628 on 8/13/2008 Maricopa County, AZ

Homeowners named in list above, along with numerous unnamed homeowners victimized in the same manner with the same means, are hereafter collectively referred to as the “Beal victims”. The recorded March 10, 2008 assignments of deed of trust for each of these



1 homeowners' properties is included in Exhibit D attached hereto. The Beal victims have  
2 hundreds of nearly identical assignments executed on March 10, 2008. However the extent and  
3 breadth of Defendants' fraud scheme extends far beyond just these assignments. The case of  
4 Texans Samuel and JoAnn Breitling is another example of the egregious racketeering nature of  
5 the Beal corrupt organization: See Breitlings v. LNV, U.S. 5<sup>th</sup> Cir. Case: 16-11576.

6 The abovementioned assignments of deed of trust were all executed on March 10, 2008  
7 and were recorded by MGC in numerous counties across the United States and all falsely purport  
8 to convey the deed of trust and the Note from RFC-LLC (or MERS in behalf of RFC-LLC) to  
9 Defendant LNV. The chain of title for the properties belonging to each of the above named Beal  
10 victims contains similar fraudulent representations as are shown in the Graham chain of title (i.e.  
11 the chain of recorded assignments). Each has similar discrepancies between the assertions made  
12 on these recorded assignments and those made on other fabricated/false/forged instruments,  
13 including Notes and allonges, filed with courts by LNV to support its false claim of standing to  
14 foreclose.

15 Both Ms. Subramaniam's and Ms. Fauley's cases are before the U.S. Ninth Circuit Court  
16 of Appeals, LNV v. Subramaniam, Case No. 15-35963, and LNV v. Fauley, Case No. 16-35593.

17 In the Subramaniam case the Note that LNV purported to be the "original" and "genuine"  
18 instrument shown to Ms. Subramaniam and photographed by her is contested to be instead a  
19 digital forgery; i.e. a black and white copy altered in Adobe PhotoShop© using color  
20 enhancement techniques to make it appear to contain original "wet ink" signatures. The  
21 "original" Deed of Trust" entered by LNV into court record via PACER, a U.S. government  
22 database, through use of the internet and wire services is also contested as a digital forgery made



1 with intent to deceive the United States judiciary and fraudulently deprive Ms. Subramaniam of  
2 her property and life quality while unjustly enriching Andy Beal and his co-conspirators.

3 To see the evidence of forgery in the questioned files in the Subramaniam case the files  
4 must be viewed electronically, however evidence of the falsity of LNV's representations made  
5 with intent to deceive U.S. Courts is discernible by an examination of the purported conveyances  
6 on the face of the recorded assignments.

7 In the Subramaniam case LNV submitted with its foreclosure complaint a copy of the  
8 Note (see Exhibit E attached hereto). Included on the Note is an endorsement (that's authenticity  
9 is questioned) stating a conveyance from "LaSalle Bank National Association, as Trustee for  
10 certificate holders of Bear Stearns Asset Backed Securities 1 LLC Asset Backed Certificates  
11 Series 2004-HE4" where a signature that was on the line under "Pay to the Order of" is blocked  
12 by a "CANCELED" stamp. Under this it states: "Without Recourse PEOPLE' CHOICE HOME  
13 LOAN, INC. A Wyoming Corporation" (hereafter referred to as "People's")

14 Evidence of digital "cut and paste" is apparent even in the black and white copy because  
15 PEOPLE' should have been PEOPLE'S and a small portion of the top left corner of the "S" can  
16 be seen. This endorsement is signed by Dana Lantry as "Asst. Vice President" of People's.

17 The first undated allonge attached to the Note states: "Pay to the Order of" Residential  
18 Funding Company, LLC Without recourse' PEOPLE'S CHOICE HOME LOAN, INC. A  
19 Wyoming Corporation" and bears the signature of Dana Lantry as "Vice President". The second  
20 undated allonge states: "PAY TO THE ORDER OF LNV Corporation WITHOUT RECOURSE  
21 Residential Funding Company, LLC" and bears the signature of Jason J. Vecchio. LNV  
22 submitted to state and U.S. Courts similar undated allonges in foreclosure cases against several

Beal victims that were signed by Jason J. Vecchio. A professional forensic examination determined that the examined signatures are spot-on-matches one to each other (i.e. these signatures are stamped or electronically placed copies of the same unique signature and not original signatures.) The Beal victims have obtained certified copies of authenticated Jason J. Vecchio signatures from his Minnesota Notary application; from a recorded deed of trust for his property; and from court documents. These authenticated Jason J. Vecchio signatures do not match the signature on these allonges.

Three assignments of deed of trust were recorded against Ms. Subramaniam's property as follows:

**Instr#2006-077542** Recorded on 06/28/2006 – An Assignment of Deed of Trust executed on December 29, 2005 endorsed by Dana Lantry assigning beneficial interest from People's Choice Home Loan, Inc. ("PCHL") to Homecomings Financial Network, Inc. ("Homecomings");

**Instr#2008-073971** Recorded on 08/27/2008 – An Assignment of Deed of Trust executed on April 3, 2006 endorsed by Masse Adjetry assigning beneficial interest from HFN to Residential Funding Company LLC, ("RFC-LLC");

**Instr#2008-073972** Recorded on 08/27/2008 – An Assignment of Deed of Trust executed on **March 10, 2008** endorsed by Betty Wright assigning beneficial interest from RFC to LNV;

The first Subramaniam assignment, as with the Graham first assignment, directly contradicts the authenticity of the undated endorsements on the Note. As with the Graham assignments, the language of the Subramaniam assignment makes clear that the Note is conveyed with the deed of trust. Dana Lantry endorsed the first recorded assignment on December 29, 2005 to Homecomings (just like with the Graham first recorded assignment) yet undated endorsements on the Subramaniam Note, like with the Graham Note, convey the Note to RFC-LLC. This is a legal impossibility that makes void the subsequent recorded assignments and/or the Note.

1 The exact same scenario exists in the other Beal victims' cases. The Fauley and  
2 Subramaniam cases both raise the same question about whether the March 10, 2008 assignments  
3 to LNV, that occurred before LNV was incorporated in Nevada, are void ab initio is before the  
4 U.S. Ninth Circuit Court of Appeals.

#### 5 RICO STATEMENT

6 This action is a civil claim pursuant to 18 U.S. Code § 1964 for a pattern of prohibited  
7 racketeering activities as defined by 18 U.S. Code § 1961 and prohibited by 18 U.S. Code § 1962  
8 where Plaintiff, as well as numerous other Beal victims, have been defrauded and deprived of  
9 their real property and of "honest service" by state and federal judges because Defendant LNV  
10 and its agents and attorneys under the control of and by instruction of Defendant Andy Beal  
11 made false and fraudulent pretenses and false representations to state and U.S. District Courts  
12 with intent to deceive these courts about LNV's standing to foreclose.

13 Defendants' racketeering activities include: 1) use of false and fraudulent addresses in  
14 violation of 18 U.S. Code § 1342 for the purpose of conducting, promoting, and carrying on by  
15 means of the Postal Service, their scheme as subsequently described; 2) falsifying, forging and  
16 counterfeiting mortgage and foreclosure related instruments, including but not limited to deeds  
17 of trust, assignments of deeds of trusts, notes and allonges to notes; and 3) recording these false  
18 instruments with county recorders across the country using the U.S. Postal Service, private mail  
19 services and/or wire services in furtherance of their scheme and artifice to defraud their victims  
20 and the United States in violation of 18 U.S. Code § 1341.

21 Defendants' racketeering activities further include use of the internet and wire services to  
22 submit falsified, forged, and counterfeit mortgage and foreclosure related instruments into the

1 government PACER database system and judicial electronic filing systems with intent to falsely  
2 represent Defendant LNV's standing to foreclose to U.S. Courts knowing that courts will rely  
3 upon such forged instruments as being genuine and judges will thereby be unduly influenced to  
4 make decisions that deprive Defendant Andy Beal's victims, including Plaintiff, of their  
5 property, their life quality and their liberty.

6 Defendants' false and fraudulent pretenses and false representations, as outlined in this  
7 complaint, deprived Plaintiff of her real property, of the companionship of her husband, her life  
8 quality; and defrauded her of "honest service" by defrauding state and U.S. Courts.

9 The deception perpetrated against Plaintiff and the United States was just one act in a  
10 multitude of such predicate acts defined as racketeering activities by 18 U.S. Code § 1961 and  
11 prohibited under 18 U.S. Code § 1962. A decades long pattern of prohibited racketeering  
12 activities has been perpetrated against Plaintiff and other Beal victims by Defendants LNV and  
13 Andy Beal in conspiracy with their agents and attorneys to further the Beal scheme and artifice  
14 to defraud as defined by 18 U.S. Code §§ 1341 and 1346.

15 Defendants and their co-conspirators have been unjustly enriched to the tune of \$8  
16 Billion or more at the expense of Plaintiff and at the expense of literally tens of thousands of  
17 Beal victims. Defendants and their co-conspirators are not likely to stop their racketeering  
18 activities without judicial intervention.

19 The U.S. Supreme Court has consistently recognized the importance of the civil private  
20 RICO action; and has consistently held that victims of racketeering activity are to be turned into  
21 "private attorney generals." The Supreme Court in particular has emphasized the broad  
22 application and extraordinary purposes the RICO statute has meant to serve.


## PRAYER FOR RELIEF

Plaintiff has suffered extraordinary injuries due to Defendants LNV's and Andy Beal's illegal foreclosure including loss of her husband, loss of her property by theft, mental anguish, fear, anxiety, physical pain, emotional pain, financial distress, embarrassment, disenfranchisement and loss of enjoyment of life.

But for Defendants LNV and Andy Beal's illegal foreclosure and illegal eviction Plaintiff would have not been injured. Defendants LNV and Andy Beal are the direct, indirect and proximate cause of the Plaintiff's injuries, damages, and pain and suffering.

Plaintiff prays this Court considers her pro se pleadings with the same regard and respect afforded to attorneys; and that the Court vacates the illegal foreclosure sale of her property to Defendants and returns possession of her property to her. She prays the Court award compensation for the wrongful death of her husband and treble her actual damages; most importantly she prays this Court will award punitive damages sufficient to halt the racketeering activities of the Defendants and their co-conspirators with a significant portion of such award stipulated for donation by Plaintiff to non-profit organizations that provide legal services and access to justice to homeowners like herself and the other Beal victims.

Respectfully Submitted,

  
 Frances Graham

6715 SKYNOOK DR.  
 AUSTIN TX 78745  
 Dated: June 23, 2017